

Times **Your Community**

Standing up for San Jose and Evergreen

By Councilmember **Rose Herrera**
Special to the Times

The past few weeks have been a tension filled debate about how to close the City of San Jose's \$116 million dollar General Fund budget shortfall. So much is at stake: city services, hundreds of jobs, the future of our hometown. But we must have a balanced budget come July 1 as stated in our city charter.

Discussions about this budget began way back in the fall 2009 when the actual financial report for 2009 was released. Since then, we've had budget study sessions, community surveys, neighborhood budget workshops, and City Council Public Hearings all about how to close the deficit. What to put on the chopping block. What to save.

Where do we find savings? San Jose's City Manager looked at every possible way to close the gap: achieving greater efficiencies by changing processes, new ways to deliver services, reducing services, reducing unfilled positions, and using ending fund balances. We did all of those things and reduced the deficit by \$55 million. That leaves another \$61 million to cut by the end of June.

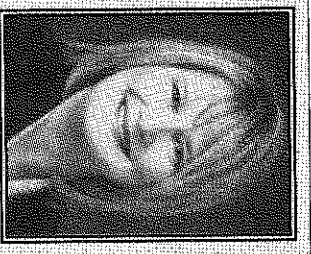
It became clear to the mayor and city manager that significant employee concessions were needed to close the gap. The city, after all, is in the service delivery business, with, personnel costs comprising 70 percent of the general fund. After a couple of iterations, they came together and proposed solving the \$60 million remaining gap by achieving a 10 percent reduction in employee total compensation; 5 percent ongoing and 5 percent one time from the bargaining units with open contracts.

This was admittedly a daunting task that had never been attempted before. The ongoing part is important because it establishes a new baseline for future contract negotiations. The one-time reductions are only for one year and we'll have to make it up again next year. The council has been split on this and by my taking a public position, I helped to turn the tide towards achieving the 10 percent reduction by the bargaining units. It had become clear to me that we must stand firm and achieve the 10 percent reduction to reign in costs, preserve jobs and maintain the services the residents need.

I want to make it clear that our city employees are not the problem. I deeply respect our employees and their commitment to public service. They are our neighbors, our friends, and taxpayers, the friendly face that cleans the parks, the dedicated librarian that helps our children and seniors at the library, the policeman who patrols our neighborhoods and helps to keep us safe.

The cuts are not insignificant reduction. The good news is that because we held firm six out of 11 bargaining units stepped up and accepted the 10 percent concessions. It wasn't easy but we got there.

Quality services are provided by quality people. I understand the connection between services and jobs at city hall and in the community. Our quality of life was at stake. It is critical that our community have access to the services that keep kids safe, make San Jose a great place to live, and generate revenue. Because we were able to close the gap, I am proud to say that we are able to keep library and community centers open city wide. A reason to celebrate!



District 8 Report
By Rose Herrera
City Councilmember

What's more, specifically in District 8, Millbrook Community center, once slated to close, will now remain open. Thanks to a great team, Meadowfair Community Center will likely remain open. We are close to an agreement. I also was able to keep funding in the budget for summer swimming at Silver Creek High School and the Lake Cunningham Marina will stay open.

But there is more work to do. The city is still negotiating with our police and fire unions. They provide the most critical services and represent 60 percent of the General Fund. To avoid layoffs, we need them to come forward with

meaningful concessions. I remain hopeful that an agreement will be reached in the next few weeks. Regardless, no fire stations in District 8 are closing.

As part of the lessons learned from this years budget process everyone is in agreement that we need to start these discussions earlier including working with our bargaining unit and the community. Starting earlier will help gather more public input. Next year, District 8 outreach will also start sooner and will include surveys and additional community meetings to hear your budget priorities sooner. I give my deepest thanks to everyone who participated in the 29 at Quimby Oak Middle School. Your calls and e-mails were very helpful.

Finally, I greatly appreciate your support. This has been a very difficult process for the entire city including the council, city staff, employees and the residents. I am proud that we have moved the needle in the right direction with the help of our tremendous city staff. Our negotiating team has been working hard day and night to achieve the goals that the mayor and city council sent them out to achieve and all the while knowing that they are working to reduce their own compensation.

San Jose's future is bright. If we position ourselves right, economic recovery will be sooner than later. I am fighting for jobs in a city that is still facing 12.3 percent unemployment. I am focused on supporting our employers, rebuilding our job base and growing our economy. I have developed the concept for an "Evergreen Innovation Corridor" that has received widespread support at city hall and the business community. We have the opportunity to transform Evergreen into an area with job producing clean tech companies and vibrant new retail.

I'm very upbeat about the path we are on and the future of our community. This is the best place to live, work, and raise a family. Thank you for taking the time to read about the budget process and how the city achieved the balanced budget we have today. In a future column, I will write about the budget "icebergs" looming ahead and the decisions we need make to avoid them.

If you have any questions on the budget or need assistance on another matter, please contact my office at (408) 535-4908 or district8@sanjoseca.gov. It is our pleasure to assist you.

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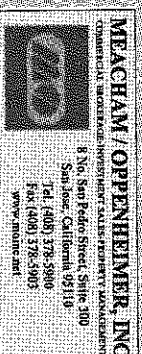
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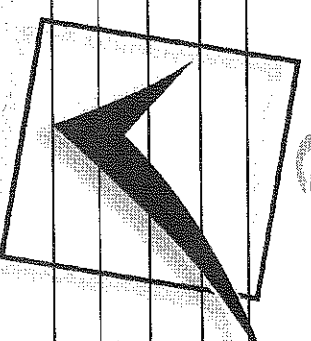
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